



State Revolving Fund Loan Programs

Drinking Water, Wastewater, Nonpoint Source

ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

MUNCIE SANITARY DISTRICT BOND ANTICIPATION NOTE REFINANCING JAKES CREEK LIFT STATION IMPROVEMENTS SRF PROJECT WW 11 14 18 03

DATE: July 19, 2012

TARGET PROJECT APPROVAL DATE: August 20, 2012

I. INTRODUCTION

The above entity has applied to the Clean Water State Revolving Fund (SRF) Loan Program for a loan to finance all or part of the wastewater project described in the accompanying Environmental Assessment (EA). As part of facilities planning requirements, an environmental review has been completed which addresses the project's impacts on the natural and human environment. This review is summarized in the attached EA.

II. PRELIMINARY FINDING OF NO SIGNIFICANT IMPACT (FNSI)

The SRF Clean Water Program has evaluated all pertinent environmental information regarding the proposed project and determined that an Environmental Impact Statement is not necessary. Subject to responses received during the 30-day public comment period, and pursuant to Indiana Code 4-4-11, it is our preliminary finding that the construction and operation of the proposed facilities will result in no significant adverse environmental impact. In the absence of significant comments, the attached EA shall serve as the final environmental document.

III. COMMENTS

All interested parties may comment upon the EA/FNSI. Comments must be received at the address below by the deadline date above. Significant comments may prompt a reevaluation of the preliminary FNSI; if appropriate, a new FNSI will be issued for another 30-day public comment period. A final decision to proceed, or not to proceed, with the proposed project shall be effected by finalizing, or not finalizing, the FNSI as appropriate. Comments regarding this document should be sent within 30 days to:

**Max Henschen
Senior Environmental Manager
State Revolving Fund -- IGCN 1275
100 N. Senate Ave.
Indianapolis, IN 46204
317-232-8623**

ENVIRONMENTAL ASSESSMENT

I. PROJECT IDENTIFICATION

Project Name and Address: Jakes Creek Lift Station Improvements
Bond Anticipation Note Refinancing
Muncie Sanitary District
300 N. High Street
Muncie, IN 47305

SRF Project Number: WW 11 14 18 03

Authorized Representative: Deborah Ervin, Financial Manager

II. PROJECT LOCATION

The Jakes Creek Lift Station project was located in a residential area in the northwest portion of the Muncie Sanitary District's service area next to Jakes Creek, roughly 200 feet north of the intersection of Cypress Street and Everett Road and 100 feet south of Jakes Creek. The project was located in Delaware County, Hamilton Township, Muncie West USGS 7.5' quadrangle, T21N, Range 10E, SW ¼ of the NW ¼ of the SW ¼ of Section 29. See Figure 2.1, Project Area 1 (highlighted).

III. PROJECT NEED AND PURPOSE

The project has been completed. The project was needed to correct sanitary sewer overflows from the tributary sewer system into Jakes Creek during wet weather. The facilities were sized to handle a 10-year, 6-hour storm to meet an IDEM agreed order.

IV. PROJECT DESCRIPTION

The project included installation of a new 3,500 gallon per minute submersible pump in the lift station wet well, construction of a 2.5 million gallon equalization tank with mixing system, new emergency generator, updated supervisory control and data acquisition system, updated pump station roof, heating and ventilation and electrical systems, installation of site piping, and site restoration.

V. PROJECT COSTS, AFFORDABILITY AND FUNDING

A. Completed Project Cost Summary

Construction Cost	\$ 4,317,794
Non-Construction Costs*	<u>718,165</u>
Total Project Cost	\$ 5,035,959

* includes administrative, legal, engineering & inspection costs

- B. The District will be reimbursed \$5,035,959 as part of an approximately \$10,000,000 bond anticipation note (BAN) refinancing through a 20-year loan from the State Revolving Fund (SRF) Loan Program at an interest rate to be determined at loan closing. In addition to this project, the BAN issued by the District also funded the CSO 018 Relocation project and the White River Interceptor Televising & Cleaning project, which have been completed. The BAN also funded a CSO 008 project, which has not yet been started and which will be addressed in a future Environmental Assessment or Categorical Exclusion.

VI. EVALUATION OF ALTERNATIVES

Several alternatives were evaluated, including the “No Action” alternative. The “No Action” alternative was rejected since the IDEM agreed order would not be met, and wet weather sanitary sewer overflows would continue into Jakes Creek.

Alternatives proposing a New Dry-Pit Pump and Force Main or a New Submersible Pump and Force Main would have required installation of larger interceptor sewers to transport the lift station flows to the District’s Water Pollution Control Facility for treatment. This alternative would have significantly increased the cost of the project and was rejected.

VII. ENVIRONMENTAL IMPACTS OF THE FEASIBLE ALTERNATIVES

A. Direct Impacts

Undisturbed Land: The District implemented an archaeological survey of the project area; no archaeological materials were found.

Historic Structures: Construction and operation of the project did not alter, demolish or remove historic properties. If any visual or audible impacts to historic properties occurred, they were temporary and did not alter the characteristics that qualify such properties for inclusion in or eligibility for the National Register of Historic Places. The SRF’s finding pursuant to Section 106 of the Historic Preservation Act is: “no historic properties affected.”

Wetlands: The project did not have long-term negative effects on wetlands.

Surface Waters: The project did not adversely affect waters of high quality listed in 327 IAC 2-1-2(3), exceptional use streams listed in 327 IAC 2-1-11(b), Natural, Scenic, and Recreational Rivers and streams listed in 312 IAC 7-(2), Salmonid Streams listed in (327 IAC 2-1.5-5(a)(3), or waters on the Outstanding Rivers List (Natural Resources Commission Non-rule Policy Document).

100-Year Floodplain: The project occurred in the 100-year floodplain and will displace a small amount of floodwater.

Plants and Animals: The construction and operation of the project did not negatively impact state or federal-listed endangered species or their habitat.

Groundwater: The project did not affect a sole source aquifer.

Prime Farmland: The project did not affect prime/unique farmland.

Air Quality: Air quality was temporarily affected by construction activities, including vehicle exhaust and dust.

Open Space and Recreational Opportunities: The project did not create or destroy open space and recreational opportunities.

The project did not affect National Natural Landmarks.

B. Indirect Impacts

The District's 2009 Environmental Evaluation stated: *The District has a competent water quality bureau and will protect sensitive environmental resources, including wetlands, 100-year floodplains, forested areas, and inventoried historic/architectural sites from future growth and development which will use SRF-funded facilities described in this report. Protection of these resources will be accomplished through appropriate zoning ordinances and proper planning practices.*

C. Comments from Environmental Review Authorities

The SRF conducted an environmental review in 2010, after the project was constructed.

The Indiana Department of Natural Resources Division of Historic Preservation and Archaeology, in correspondence dated August 16, 2010, stated: *Pursuant to IC 13-18-21 and 327 LAC 14 and Section 106 of the National Historic Preservation Act (16 U.S.C. § 470f) and 36 C.F.R. Part 800, the Indiana State Historic Preservation Officer ("Indiana SHPO") is conducting an analysis of the materials dated and received by the Indiana SHPO on July 16, 2010, for the above indicated project in Muncie, Hamilton Township, Delaware County, Indiana.*

Archaeological site 12-DI-47 has been recorded adjacent to the proposed project area. However based on our analysis, we do not believe that any historic properties will be or have been altered, demolished, or removed by the proposed project. This analysis assumes that project activities remain or remained within areas disturbed by previous construction.

If any archaeological artifacts, features, or human remains are uncovered during construction, state law (Indiana Code 14-21-1-27 & 29) requires that the discovery must be reported to the Department of Natural Resources within two (2) business days.

The U.S. Fish and Wildlife Service, in correspondence dated July 23, 2010, stated: *These comments have been prepared under the authority of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et. seq.) and are consistent with the intent of the National Environmental Policy Act of 1969, the Endangered Species Act of 1973, and the U.S. Fish and Wildlife Service's Mitigation Policy.*

Based on a review of the information you provided, the U.S. Fish and Wildlife Service has no objections to the project as currently proposed. This precludes the need for further consultation on this project as required under Section 7 of the Endangered Species Act of 1973, as amended. However, should new information arise pertaining to project plans or a revised species list be published, it will be necessary for the Federal agency to reinstitute consultation.

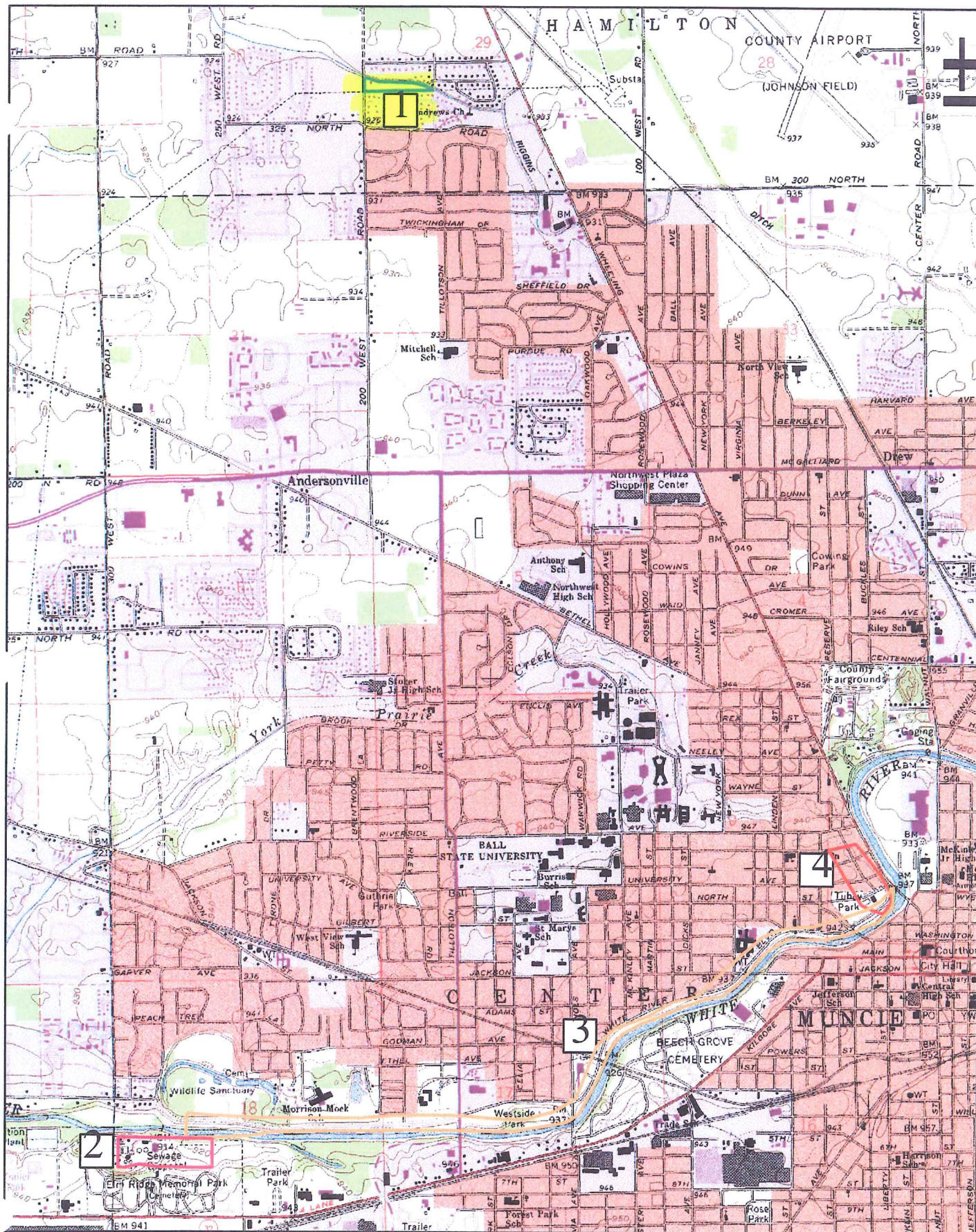
The Natural Resources Conservation Service, in correspondence dated March 6, 2009, stated: *The project to install a two-million-gallon equalization tank, a new submersible pump inside the lift station and a new outdoor diesel generator...will not cause a conversion of prime farmland.*

VIII. MITIGATION MEASURES

The District's 2009 Environmental Evaluation stated: *Mitigation measures cited in comment letters from the Department of Natural Resources and the U.S. Fish and Wildlife Service will be implemented. The project will be implemented to minimize impact to non-endangered species and their habitat.*

IX. PUBLIC PARTICIPATION

A properly noticed public hearing was held on February 8, 2011, at the Board of Sanitary Commissioner's Meeting for the Muncie Sanitary District at the Muncie City Hall.



Legend

1. Jakes Creek Lift Station,
HAMILTON TWP. T21N. R10E,
S29

2. CSO 018 Relocation @ WPCF
CENTER TWP. T20N. R10E. S18

3. White River Interceptor Telemetry,
CENTER TWP. T20N. R10E. S18. 17, 16,
10, 9

4. CSO 008 Sewer Separation, CENTER TWP. T20N. R10E. S10

0 800 1,600 3,200
Feet

MUNCIE WEST QUADRANGLE,
7.5 MINUTE

FIGURE 2.1 REV
PROJECT LOCATION MAP

PRELIMINARY ENGINEERING
REPORT - BAN
MUNCIE SANITARY DISTRICT
MUNCIE, INDIANA
REV MARCH 2012